GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:1940
ANSWERED ON:04.08.2003
INTERNATIONAL PRICE OF AGRICULTURAL PRODUCTS
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Will the Minister of AGRICULTURE be pleased to state:

(a) whether the international prices of agricultural products have fallen during the last two years;

(b): if so, the impact of these falling prices of Indian farmers; and

(c) the steps the Government have taken to protect the interests of Indian farmers to face the challenges under WTO regime?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV)

(a): Though the prices of many agricultural commodities fell in 2001 compared to 2000, their prices registered significant increase in 2002.

(b)&(c): To minimize the impact of fluctuations in prices on Indian farmers, the Government announces Minimum Support Prices (MSPs) for major crops.MSPs enable the farmers to selltheir produce at remunerative prices whenever the market prices fall below the MSP. To ensure that the farmers of the country are not put to any hardship under the WTO regime, the Government has put in place a suitable mechanism for monitoring the import of sensitive items and is committed to providing adequate protection to the Indian farmers through various measures, including appropriate calibration of applied tariffs within bound levels, recourse to trade remedies, and governmental support consistent with the provisions of the World Trade Organisation (WTO).